

HOUSE BILL REPORT

HB 1273

As Reported by House Committee On: Commerce & Labor

Title: An act relating to allowing counties, cities, and towns to conduct raffles under certain terms and conditions.

Brief Description: Allowing counties, cities, and towns to conduct raffles under certain terms and conditions.

Sponsors: Representatives Condotta and Armstrong.

Brief History:

Committee Activity:

Commerce & Labor: 1/23/09 [DP].

Brief Summary of Bill

- Allows a county, city, or town to conduct raffles as long as the net proceeds are used for community or tourism promotion activities.

HOUSE COMMITTEE ON COMMERCE & LABOR

Majority Report: Do pass. Signed by 8 members: Representatives Conway, Chair; Wood, Vice Chair; Condotta, Ranking Minority Member; Chandler, Crouse, Green, Moeller and Williams.

Staff: Joan Elgee (786-7106)

Background:

Washington's Gambling Act authorizes charitable and nonprofit organizations to conduct raffles to raise funds for the organizations' stated purposes. The organization must be organized for one of the purposes specified in statute which include agricultural, charitable, educational, political, fraternal, or athletic purposes, and meet other requirements.

A raffle may be conducted as a licensed or unlicensed raffle. A license is required: (1) if the gross revenue from all gambling fundraising conducted by the organization is more than

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\$5,000 per year; (2) if tickets are sold by someone other than a member of the organization; (3) if tickets are sold at a discount; and (4) in certain other cases. Specified restrictions and requirements apply to the conduct of all raffles.

Credit unions and a group of executive branch state employees are considered nonprofit organizations and may conduct unlicensed raffles under certain conditions.

Summary of Bill:

A county, city, or town is considered a nonprofit organization for purposes of organizations authorized to conduct raffles and may conduct licensed or unlicensed raffles so long as the revenue, less prizes and expenses, is used for community activities or tourism promotion activities.

Appropriation: None.

Fiscal Note: Not requested.

Effective Date: The bill takes effect 90 days after adjournment of the session in which the bill is passed.

Staff Summary of Public Testimony:

(In support) This bill allows East Wenatchee to conduct raffles. The bill passed the House unanimously last year.

(Neutral) The Washington State Gambling Commission (Commission) has not met to take a position this year, but last year was neutral. The Commission pointed out last year that employees probably could not be paid to conduct raffles under \$5,000, but apparently this is not an issue.

(Opposed) None.

Persons Testifying: (In support) Representative Condotta, prime sponsor.

(Neutral) Amy Hunter, Washington State Gambling Commission.

Persons Signed In To Testify But Not Testifying: None.